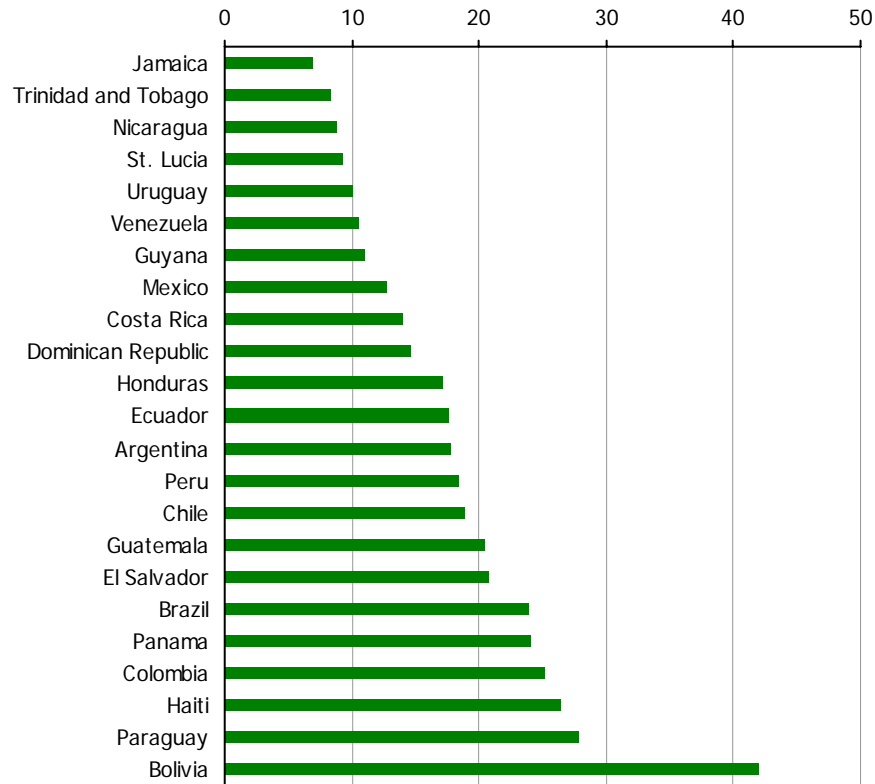


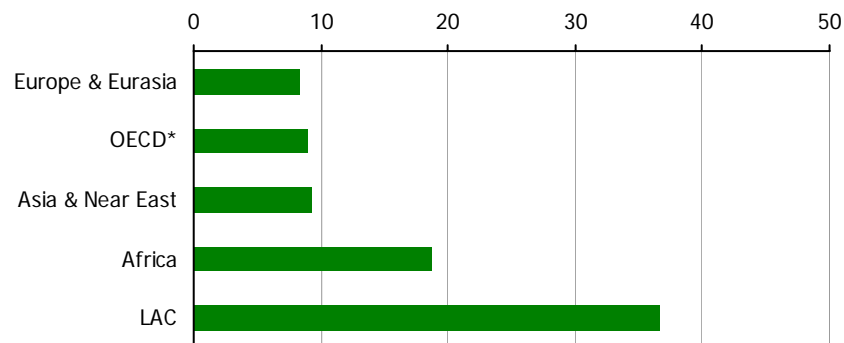
Income Inequality in LAC

Ratio of incomes of wealthiest 20% to poorest 20% of population



Income Inequality in USAID Presence Countries

Ratio of incomes of wealthiest 10% to poorest 10% of population, regional averages



2.1 | Incidence of Poverty percentage

	Survey Year	Rural %	Urban %	National %	Survey Year	Population below \$1/day	Poverty gap at \$1/day	Population below \$2/day	Poverty gap at \$2/day
Dominican Republic	1992	49.0	19.3	33.9	2003	2.52	0.77	11	3.58
	1998	42.1	20.5	28.6	.	.	.	.	.
Guyana	1993	.	.	43.2	1998	<2.0	<0.5	6.1	1.7
	1998	.	.	35.0	.	.	.	.	.
Haiti	1987	.	.	65.0	2001	53.9	26.6	78	47.4
	1995	66.0	.	.	.	.	.	.	.
Jamaica	1995	37.0	18.7	27.5	2000	<2.0	<0.5	13.3	2.73
	2000	25.1	12.8	18.7	.	.	.	.	.
Trinidad and Tobago	1992	20.0	24.0	21.0	1992	3.95	0.99	20	6.26
Caribbean									
Costa Rica	1992	25.5	19.2	22.0	2001	2.22	0.8	7.52	2.76
El Salvador	1992	55.7	43.1	48.3	2002	19	9.35	40.6	17.7
Guatemala	1989	71.9	33.7	57.9	2002	13.5	5.48	31.9	13.8
	2000	74.5	27.1	56.2	.	.	.	.	.
Honduras	1997	58.0	35.0	47.0	1999	20.7	7.5	44	20.2
	1999	58.0	37.0	48.0	.	.	.	.	.
Nicaragua	1993	76.1	31.9	50.3	2001	45.1	16.7	79.9	41.2
	1998	68.5	30.5	47.9	.	.	.	.	.
Panama	1997	64.9	15.3	37.3	2002	6.52	2.26	17.1	6.94
Central America									
Argentina	1995	.	28.4	.	2003	7.04	1.98	23	8.42
	1998	.	29.9	.	.	.	.	.	.
Bolivia	1997	77.3	53.8	63.2	2002	23.2	13.6	42.2	23.2
	1999	81.7	50.6	62.7	.	.	.	.	.
Brazil	1996	54.0	15.4	23.9	2003	7.54	3.37	21.2	8.52
	1998	51.4	14.7	22.0	.	.	.	.	.
Chile	1996	.	.	19.9	2000	<2.0	<0.5	9.58	2.49
	1998	.	.	17.0	.	.	.	.	.
Colombia	1995	79.0	48.0	60.0	2003	7.03	3.07	17.8	7.7
	1999	79.0	55.0	64.0	.	.	.	.	.
Ecuador	1995	56.0	19.0	34.0	1998	15.8	6.32	37.2	15.8
	1998	69.0	30.0	46.0	.	.	.	.	.
Paraguay	1991	28.5	19.7	21.8	2002	16.4	7.38	33.2	16.2
Peru	1994	67.0	46.1	53.5	2002	12.5	4.4	31.8	13.4
	1997	64.7	40.4	49.0	.	.	.	.	.
Uruguay	1994	.	20.2	.	2003	<2.0	<0.5	5.73	1.55
	1998	.	24.7	.	.	.	.	.	.
Venezuela	1989	.	.	31.3	2000	8.29	2.84	27.6	10.2
South America									
Mexico	1996	52.4	26.5	37.1	2002	4.45	1.15	20.4	6.52
	2002	34.8	11.4	20.3	.	.	.	.	.
LAC									

2.2 | Distribution of Income or Consumption

World Bank

	Survey Year	Percentage Share of Income							Gini Index
		Lowest 10%	Lowest 20%	Second 20%	Third 20%	Fourth 20%	Highest 20%	Highest 10%	
Dominican Republic	2003	1.4	3.9	7.8	12.1	19.4	56.8	41.3	51.7
Guyana	1999	1.3	4.5	9.9	14.5	21.4	49.7	33.8	43.2
Haiti	2001	0.7	2.4	6.2	10.4	17.7	63.4	47.7	59.2
Jamaica	2000	2.7	6.7	10.7	15.0	21.7	46.0	30.3	37.9
St. Lucia	1995	2.0	5.2	9.9	14.8	21.8	48.3	32.5	42.6
Trinidad and Tobago	1992	2.1	5.5	10.3	15.5	22.7	45.9	29.9	40.3
Caribbean									
Costa Rica	2001	1.3	3.9	8.1	12.8	20.4	54.8	38.4	49.9
El Salvador	2002	0.7	2.7	7.5	12.8	21.2	55.9	38.8	52.4
Guatemala	2002	0.9	2.9	7.0	11.6	19.0	59.5	43.4	55.1
Honduras	2003	1.2	3.4	7.1	11.6	19.6	58.3	42.2	53.8
Nicaragua	2001	2.2	5.6	9.8	14.2	21.1	49.3	33.8	43.1
Panama	2002	0.8	2.5	6.4	11.2	19.6	60.3	43.6	56.4
Central America									
Argentina	2003	1.1	3.2	7.0	12.1	20.7	56.8	39.6	52.8
Bolivia	2002	0.3	1.5	5.9	10.9	18.7	63.0	47.2	60.1
Brazil	2003	0.8	2.6	6.2	10.7	18.4	62.1	45.8	58.0
Chile	2000	1.2	3.3	6.6	10.5	17.4	62.2	47.0	57.1
Colombia	2003	0.7	2.5	6.2	10.6	18.0	62.7	46.9	58.6
Ecuador	1998	0.9	3.3	7.5	11.7	19.4	58.0	41.6	43.7
Paraguay	2002	0.6	2.2	6.3	11.3	18.8	61.3	45.4	57.8
Peru	2002	1.1	3.2	7.1	11.8	19.3	58.7	43.2	54.6
Uruguay	2003	1.9	5.0	9.1	14.0	21.5	50.5	34.0	44.9
Venezuela	2000	1.6	4.7	9.4	14.5	22.1	49.3	32.8	44.1
South America									
Mexico	2002	1.6	4.3	8.3	12.6	19.7	55.1	39.4	49.5
LAC									

2.3 | Income Inequity - Gini Index

UN Economic Commission for Latin America and the Caribbean

		1989-92	1993-96	1997	1998	1999	2000	2001	2002	2003	2004
Dominican Republic	National	.	.	51.7	.	.	55.4	54.1	54.4	.	.
	Rural	.	.	48.3	.	.	50.1	.	47.3	.	.
	Urban	.	.	50.9	.	.	55.0	54.2	54.8	.	.
Caribbean											
Costa Rica	National	43.8	.	45.0	.	47.3	.	.	48.8	.	.
	Rural	41.9	.	42.6	.	45.7	.	.	48.1	.	.
	Urban	41.9	.	42.9	.	45.4	.	.	46.5	.	.
El Salvador	National	.	50.7	51.0	.	51.8	.	52.5	.	.	.
	Rural	.	44.2	42.3	.	46.2	.	47.7	.	.	.
	Urban	.	46.6	46.7	.	46.2	.	47.7	.	.	.
Guatemala	National	58.2	.	.	56.0	.	.	.	54.3	.	.
	Rural	51.3	.	.	51.0	.	.	.	47.0	.	.
	Urban	55.8	.	.	52.5	.	.	.	52.4	.	.
Honduras	National	61.5	.	55.8	.	56.4	.	.	58.8	.	.
	Rural	55.8	.	50.4	.	51.2	.	.	51.9	.	.
	Urban	56.1	.	52.7	.	51.8	.	.	53.3	.	.
Nicaragua	National	.	58.2	.	58.4	.	.	57.9	.	.	.
	Rural	.	53.6	.	55.8	.	.	50.6	.	.	.
	Urban	.	54.9	.	55.1	.	.	56.0	.	.	.
Panama	Rural	.	.	.	.	.	.	.	51.5	.	.
	Urban	54.5	.	55.2	.	53.3	.	.	51.5	.	.
Central America											
Argentina	Urban	50.1	.	53.0	.	54.2	.	.	59.0	.	53.7
Bolivia	National	53.8	.	59.5	.	58.6	.	.	61.4	.	.
	Rural	.	.	63.7	.	64.0	.	.	63.2	.	.
	Urban	53.8	.	53.1	.	50.4	.	.	55.4	.	.
Brazil	National	62.7	63.8	.	.	64.0	.	63.9	.	62.1	.
	Rural	54.8	57.8	.	.	57.7	.	58.1	.	56.4	.
	Urban	60.6	62.0	.	.	62.5	.	62.8	.	61.2	.
Chile	National	55.4	55.3	.	.	.	55.9	.	.	55.2	.
	Rural	57.8	49.2	.	.	.	51.1	.	.	50.7	.
	Urban	54.2	54.4	.	.	.	55.3	.	.	54.7	.
Colombia	National	.	60.1	56.9	.	57.2	.	.	.	.	.
	Rural	.	57.0	55.4	.	52.5	.	.	50.7	.	.
	Urban	.	57.9	57.7	.	56.4	.	.	57.5	.	.
Ecuador	Urban	46.1	.	46.9	.	52.1	.	.	51.3	.	.
Paraguay	National	44.7	49.3	.	.	56.5	57.0	.	.	.	.
	Rural	.	.	.	.	57.0	54.8	.	.	.	.
	Urban	44.7	49.3	.	.	49.7	51.1	.	.	.	.
Peru	National	.	.	53.2	.	54.5	.	52.5	.	52.3	.
	Rural	.	.	45.1	.	42.7	.	43.9	.	38.2	.
	Urban	.	.	47.3	.	49.8	.	47.7	.	48.2	.
Uruguay	Urban	49.2	.	43.0	.	44.0	.	.	45.5	.	.
Venezuela	National	47.1	.	50.7	.	49.8	.	.	50.0	.	.
	Rural	43.1	.	.	.	.	.	.	.	.	.
	Urban	46.4	.	.	.	.	.	.	.	.	.
South America											
Mexico	National	53.6	53.9	.	.	.	54.2	.	51.4	.	51.6
	Rural	45.3	45.1	.	48.6	.	55.3	.	49.8	.	48.0
	Urban	53.0	51.2	.	50.7	.	49.3	.	47.7	.	49.3
LAC											

2.4 | Nutritional Poverty

Percent of population unable to meet minimum dietary energy requirements

	1969-71	1979-81	1990-92	1995-97	2000-02
Antigua and Barbuda	31	36	17	30	24
Bahamas	7	12	9	14	6
Barbados	3	2	2	3	.
Belize	17	4	7	5	4
Cuba	7	4	8	18	3
Dominica	42	27	4	7	8
Dominican Republic	40	25	27	26	25
Grenada	28	28	9	7	8
Guyana	19	13	21	12	9
Haiti	54	48	65	59	47
Jamaica	12	10	14	11	10
Netherlands Antilles	15	3	14	13	13
St. Kitts and Nevis	47	26	13	20	12
St. Lucia	34	20	8	6	5
St. Vincent and Grenadines	19	14	22	20	13
Suriname	23	18	13	10	11
Trinidad and Tobago	16	6	13	14	12
Caribbean	24.4	17.4	15.6	16.2	13.1
Costa Rica	21	11	6	5	4
El Salvador	45	17	12	14	11
Guatemala	29	18	16	21	24
Honduras	29	31	23	21	22
Nicaragua	23	26	30	33	27
Panama	17	21	21	23	26
Central America	27.3	20.7	18.0	19.5	19.0
Argentina	.	.	2	2	2
Bolivia	35	26	28	25	21
Brazil	23	15	12	10	9
Chile	6	7	8	5	4
Colombia	39	22	17	13	13
Ecuador	20	11	8	5	4
Paraguay	11	12	18	13	14
Peru	21	28	42	19	13
Uruguay	2	3	6	4	4
Venezuela	14	4	11	16	17
South America	19.0	14.2	15.2	11.2	10.1
Mexico	12	5	5	5	5
LAC	20.0	13.0	13.0	11.0	10.0

Sources and Technical Notes – Poverty

Figures

Source World Bank, *World Development Indicators* (online version) as of May, 2006.

Notes The ratio of income by wealth group provides a measure of indicating income inequality. The ratio is formulated by dividing the wealthier group's income by the poorer group's income. Higher ratios therefore indicate greater income inequality.

* Except for Mexico, members of the OECD are not countries in which USAID has a presence; but are provided for reference to indicate developed countries.

Table 2.1

Incidence of Poverty

Source World Bank, *World Development Indicators* (online version) as of August, 2006.

Definitions *Poverty headcount, rural (% of population)* The percentage of the rural population living below the national rural poverty line. *Poverty headcount, urban (% of population)* The percentage of the urban population living below the national urban poverty line. *Poverty headcount, national (% of population)* The percentage of the population living below the national poverty line. National estimates are based on population-weighted sub-group estimates from household surveys. *Population below \$1 a day (%)* The percentage of the population living on less than \$1.08 a day at 1993 international prices (equivalent to \$1 in 1985 prices, adjusted for purchasing power parity). Poverty rates are comparable across countries, but as a result of revisions in PPP exchange rates, they cannot be compared with poverty rates reported in previous editions for individual countries. Data showing as 2.0 signifies a poverty rate of less than 2.0 percent. *Population below \$2 a day (%)* The percentage of the population living on less than \$2.15 a day at 1993 international prices (equivalent to \$2 in 1985 prices, adjusted for purchasing power parity). Poverty rates are comparable across countries, but as a result of revisions in PPP exchange rates, they cannot be compared with poverty rates reported in previous editions for individual countries. Data showing as 2.0 signifies a poverty rate of less than 2.0 percent. *Poverty gap at \$1 a day (%)* The mean shortfall from the poverty line (counting the non-poor as having zero shortfall), expressed as a percentage of the poverty line. This measure reflects the depth of poverty as well as its incidence. Data showing as 0.5 signifies a poverty gap of less than 0.5 percent. *Poverty gap at \$2 a day (%)* The mean shortfall from the poverty line (counting the non-poor as having zero shortfall), expressed as a percentage of the poverty line. This measure reflects the depth of poverty as well as its incidence. Data showing as 0.5 signifies a poverty gap of less than 0.5 percent.

Table 2.2

Distribution of Income or Consumption – World Bank

Source World Bank, *World Development Indicators* (online version) as of May, 2006.

Definitions *Gini index* as noted above. *Percentage share of income or consumption* is the share that accrues to subgroups of population indicated by deciles or quintiles. Percentage shares by quintile may not sum to 100 because of rounding.

Notes Inequality in the distribution of income is reflected in the percentage share of either income or consumption accruing to segments of the population ranked by income or consumption levels. The Gini index provides a convenient summary measure of the degree of inequality.

Income and consumption data come from nationally representative household surveys. As these surveys differ in method and in the type of data collected, the distribution indicators are not strictly comparable across countries.

Table 2.3

Income Inequity - Gini Index – UN Economic Commission for Latin America and the Caribbean

Source ECLAC, *Base de Estadísticas e Indicadores Sociales* (online) as of July, 2006.

Definitions *Gini index* as noted above, measuring the distribution of household income.

Notes To maintain scale with legacy presentations, original data has been multiplied by 100 for this presentation. Figures for periods labeled 1989-92 and 1993-96 represent the most recent year reported for each representative period.

Table 2.4

Nutritional Poverty

Source ECLAC, *Base de Estadísticas e Indicadores Sociales* (online) as of July, 2006.

Notes Regional average for LAC is reported per the original source. Sub-regional averages are calculated as unweighted averages of respective countries.